

Senate File 5 - Introduced

SENATE FILE 5
BY JOHNSON

A BILL FOR

1 An Act providing a sales tax exemption for the sale of horses.
2 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

1 Section 1. Section 423.3, subsection 14, Code 2011, is
2 amended to read as follows:

3 14. The sales price from the ~~sales of horses, commonly known~~
4 ~~as draft horses, when purchased for use and so used as draft~~
5 sale of horses.

6 EXPLANATION

7 Currently, Iowa law only exempts the sale of draft horses
8 from the sales tax. This bill exempts all sales of horses from
9 the sales tax.

10 By operation of Code section 423.6, an item exempt from the
11 imposition of the sales tax is also exempt from the use tax
12 imposed in Code section 423.5.